

1 AN ACT concerning property.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. "AN ACT concerning property" (Public Act
5 95-691), approved November 2, 2007, is amended by adding
6 Section 999 as follows:

7 (P.A. 95-691, Sec. 999 new)

8 Sec. 999. Effective date. This Act (Public Act 95-691)
9 takes effect on the effective date of this amendatory Act of
10 the 95th General Assembly.

11 Section 10. The Deposit of State Moneys Act is amended by
12 changing Section 7 as follows:

13 (15 ILCS 520/7) (from Ch. 130, par. 26)

14 Sec. 7. (a) Proposals made may either be approved or
15 rejected by the State Treasurer. A bank or savings and loan
16 association whose proposal is approved shall be eligible to
17 become a State depository for the class or classes of funds
18 covered by its proposal. A bank or savings and loan association
19 whose proposal is rejected shall not be so eligible. The State
20 Treasurer shall seek to have at all times a total of not less
21 than 20 banks or savings and loan associations which are

1 approved as State depositories for time deposits.

2 (b) The State Treasurer may, in his discretion, accept a
3 proposal from an eligible institution which provides for a
4 reduced rate of interest provided that such institution
5 documents the use of deposited funds for community development
6 projects.

7 (b-5) The State Treasurer may, in his or her discretion,
8 accept a proposal from an eligible institution that provides
9 for a reduced rate of interest, provided that such institution
10 agrees to expend an amount of money equal to the amount of the
11 reduction for the preservation of Cahokia Mounds.

12 (b-10) The State Treasurer may, in his or her discretion,
13 accept a proposal from an eligible institution that provides
14 for a reduced rate of interest, provided that the institution
15 agrees to expend an amount of money equal to the amount of the
16 reduction for senior centers.

17 (c) The State Treasurer may, in his or her discretion,
18 accept a proposal from an eligible institution that provides
19 for interest earnings on deposits of State moneys to be held by
20 the institution in a separate account that the State Treasurer
21 may use to secure up to 10% of any (i) home loans to Illinois
22 citizens purchasing a home in Illinois in situations where the
23 participating financial institution would not offer the
24 borrower a home loan under the institution's prevailing credit
25 standards without the incentive of a reduced rate of interest
26 on deposits of State moneys, (ii) existing home loans of

1 Illinois citizens who are at risk of losing their homes if they
2 experience ~~have failed to make payments on a home loan as a~~
3 ~~result of~~ a financial hardship due to circumstances beyond
4 their ~~the control of the borrower~~ where there is a reasonable
5 prospect that they ~~the borrower~~ will be able to resume or
6 continue full mortgage payments, and (iii) loans in amounts
7 that do not exceed the amount of arrearage on a mortgage and
8 that are extended to enable a borrower to become current on his
9 or her mortgage obligation.

10 The following factors shall be considered by the
11 participating financial institution to determine whether the
12 financial hardship is due to circumstances beyond the control
13 of the borrower: (i) loss, reduction, or delay in the receipt
14 of income because of the death or disability of a person who
15 contributed to the household income, (ii) expenses actually
16 incurred related to the uninsured damage or costly repairs to
17 the mortgaged premises affecting its habitability, (iii)
18 expenses related to the death or illness in the borrower's
19 household or of family members living outside the household
20 that reduce the amount of household income, (iv) loss of income
21 or a substantial increase in total housing expenses because of
22 divorce, abandonment, separation from a spouse, or failure to
23 support a spouse or child, (v) unemployment or underemployment,
24 (vi) loss, reduction, or delay in the receipt of federal,
25 State, or other government benefits, and (vii) participation by
26 the homeowner in a recognized labor action such as a strike. In

1 determining whether there is a reasonable prospect that the
2 borrower will be able to resume or continue full mortgage
3 payments, the participating financial institution shall
4 consider factors including, but not necessarily limited to the
5 following: (i) a favorable work and credit history, (ii) the
6 borrower's ability to and history of paying the mortgage when
7 employed, (iii) the lack of an impediment or disability that
8 prevents reemployment, (iv) new education and training
9 opportunities, (v) non-cash benefits that may reduce household
10 expenses, and (vi) other debts.

11 For the purposes of this Section, "home loan" means a loan,
12 other than an open-end credit plan or a reverse mortgage
13 transaction, for which (i) the principal amount of the loan
14 does not exceed 50% of the conforming loan size limit ~~for a~~
15 ~~single-family dwelling~~ as established from time to time by the
16 Federal National Mortgage Association, (ii) the borrower is a
17 natural person, (iii) the debt is incurred by the borrower
18 primarily for personal, family, or household purposes, and (iv)
19 the loan is secured by a mortgage or deed of trust on real
20 estate upon which there is located or there is to be located a
21 structure designed principally for the occupancy of no more
22 than 4 families and that is or will be occupied by the borrower
23 as the borrower's principal dwelling.

24 (d) If there is an agreement between the State Treasurer
25 and an eligible institution that details the use of deposited
26 funds, the agreement may not require the gift of money, goods,

1 or services to a third party; this provision does not restrict
2 the eligible institution from contracting with third parties in
3 order to carry out the intent of the agreement or restrict the
4 State Treasurer from placing requirements upon third-party
5 contracts entered into by the eligible institution.

6 (Source: P.A. 92-482, eff. 8-23-01; 92-531, eff. 2-8-02;
7 92-625, eff. 7-11-02; 93-246, eff. 7-22-03.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.